FISCAL NOTE

HB 3114 - SB 3670

January 21, 2008

SUMMARY OF BILL: Prohibits the use of a hand held mobile telephone while operating a motor vehicle. Creates a Class C misdemeanor punishable only by a fine of $50, effective January 1, 2009.

ESTIMATED FISCAL IMPACT:

> **Increase State Revenue – $1,235,000 – FY08-09**
> **$2,470,000 – FY09-10 and thereafter**
>
> **Increase Local Gov't. Revenue - $65,000 – FY08-09**
> **$130,000 – FY09-10 and thereafter**
>
> **Increase Local Gov't. Expenditures – Not Significant**

Assumptions:

- "Hands free device" means a device that is designed to allow two-way communication via a mobile telephone without the necessity of holding the mobile telephone, such as a speakerphone or headset.
- "Mobile telephone" means a cellular, analog, wireless or digital telephone.
- This legislation does not prohibit the use of a mobile phone that is equipped with a hands free device for use while operating a motor vehicle.
- According to the Department of Safety, there are approximately 4,333,000 licensed drivers in Tennessee.
- 60% of all licensed drivers (approximately 2,600,000) are estimated to own hand-held mobile telephones.
- The Department of Safety estimates that 2% of licensed drivers that own hand-held mobile telephones would be cited in any given year.
- County clerks receive 5% of citation revenue.
- Total citation revenue is estimated to be $2,600,000 (2,600,000 licensed drivers x 2% x $50 fine = $2,600,000) per year.
- The increase of local government revenue is estimated to be $130,000 ($2,600,000 x 5% = $130,000) per year.

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- The increase of state revenue is estimated to be $2,470,000 ($2,600,000 - $130,000 local share = $2,470,000) per year.
- The increase to local government expenditures for enforcement is estimated to be not significant.
- First-year impact estimated at 50% of first full-year impact due to enactment date.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

James W. White, Executive Director

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